



December 19, 2014

VIA MAIL & EMAIL

Bureau of Land Management
Wyoming State Office
Attn: Chris Hite
P.O. Box 1828
Cheyenne, WY 82003-1828

RE: Expression of Interest - Nomination of Federal Minerals (see Attachment A)
BLM High Desert District
November 3, 2015 Oil and Gas Lease Sale

To Whom It May Concern:

Anadarko E & P Onshore LLC, (AE&P) a subsidiary of Anadarko Petroleum Corporation (APC) appreciates the opportunity to nominate parcels to be considered in the BLM High Desert District November 2015 competitive oil and gas lease sale.

Anadarko Land Corp, ALC, also a subsidiary of APC, holds significant mineral ownership along the historic Union Pacific Railroad Land Grant. As an incentive to induce investors to build a transcontinental railway, The Pacific Railway Act of 1862 created the Union Pacific Railroad Company and granted the company fee and mineral interests along the corridor through which it passed. Subsequent amendments to the act granted "ten alternate sections per mile on each side of said railroad, on the line thereof, and within the limits of twenty miles on each side of said road ..." Today Anadarko holds approximately 7.5 million acres of fee mineral rights from this original grant, located in Colorado, Wyoming and Utah.

APC owns or controls mineral rights adjacent and contiguous to the unleased Federal minerals included in this nomination as depicted on **Figure 1** within the specified area of interest in Carbon County, Wyoming. Inclusion of the nominated parcels in the 2015 lease sale would allow the winning bidder to successfully develop Federal minerals to complement the offset production of State and fee minerals.

Conformance with BLM Management Plans and Other Laws and Policy Considerations

The Mineral Leasing Act of 1920 (MLA) (30 U.S.C. § 181 et seq.) (40 C.F.R. § 3162) requires that all public lands not specifically closed to leasing be open to lease for the exploration and development of mineral resources. The intent of the MLA and its implementing regulations are to allow, and encourage, lessees or potential lessees to explore for oil and gas underlying public lands. The Federal Land Policy and Management Act (FLPMA) mandates that the BLM manage public lands on the basis of multiple use, thereby utilizing the lands' resources that will "best

2014 DEC 16 AM 10:01
RECEIVED
DOI-BLM
CHEYENNE WYOMING

2014 DEC 15 AM 10:01
RECEIVED
DOI-BLM
CHEYENNE WYOMING

meet the present and future needs of the American people” including domestic energy development. 43 U.S.C. § 1701(a)(7), (12)); § 1702(c) (1976). Multiple use management requires taking into account the long-term needs for energy development and the Nation’s need for domestic sources of minerals. Minerals are identified as one of the principal uses of public lands under Section 103 of FLPMA.*Id.*

Consistency with Other Plans, Statutes, and Objectives

Domestic oil and gas production from Wyoming is consistent with Federal energy policy.¹ Revenue generated from oil and natural gas development activities supports numerous Federal, State, and local government functions through payment of royalties and taxes. Additional development in the Rawlins area could also yield additional jobs both directly and indirectly. In sum, the oil and gas industry has a considerable economic impact in Wyoming. The Carbon County Comprehensive Land Use Plan goals provide for a sustainable balance between energy development, agriculture and the environment as well as to provide for conversion of public lands to other land uses as would benefit the orderly development of the County². Other management prescriptions developed for leasing in the BLM Rawlins RMP will adequately protect those resources and concerns specific to the parcels in Carbon County.

Hydraulic Fracturing Technology

There is a reasonable likelihood that hydraulic fracturing technology will be employed in the area to access oil and gas minerals. The BLM must consider that there are no incidents of contamination from hydraulic fracturing on public or other lands, with over 1.2 million hydraulic fracturing operations conducted over the last sixty years. In the agencies environmental analysis for the nominated parcels, hydraulic fracturing should be reviewed and evaluated within this vein.

Parcel Evaluation

To aid the BLM by providing information regarding APC’s nomination for the November 2015 lease sale, APC undertook an exhaustive analysis of the resources present or potentially present within the nominated tracts of land. That analysis is summarized below and in **Attachment B**. Mapping supporting this analysis is included in **Attachment C**. This analysis indicates that leasing and development of these parcels can be done in a responsible manner to the benefit of the citizens of the local communities, counties, the State of Wyoming, and as a whole within the United States of America.

Areas of Critical Environmental Concern (ACEC)

The nominated parcels are not in conflict with any designated ACEC. **Figure 2** illustrates the locations of the nominated parcels in relation to ACECs. The closest ACEC to the nominated parcels is the Sand Hills/Jo Ranch ACEC, which is located approximately 5 miles to the southeast. No impacts to that ACEC would occur as a result of leasing.

Other Management Areas

Most of the nominated parcels avoid Other Management Areas (OMAs), however, six nominated parcels overlap with the Upper Muddy Creek Watershed/Grizzly Wildlife Habitat Management Area, as illustrated on **Figure 3**. AE&P believes oil and gas leasing would not conflict with watershed management objectives with appropriate erosion control and other water quality mitigation measures applied to future oil and gas operations. In addition, the Rawlins RMP

¹ Comprehensive National Energy Strategy announced by the United States Department of Energy in April of 1998, the Energy Policy and Conservation Act, 42 U.S.C. § 6201, the National Energy Policy, Executive Order No. 13212, 66 Fed. Reg. 28357 (May 18, 2001), and the Energy Policy Act of 2005, Pub. L. No. 109-58, 119 Stat. 594.

² <http://www.carbonwy.com/DocumentCenter/View/515>

established stipulations that would apply to oil and gas leasing in this area. Lease closures and no surface occupancy stipulations that apply in small portions of nominated parcels within the OMA would adequately protect sensitive resources present without precluding leasing altogether.

Historic Trails and SRMAs

Most of the parcels nominated for leasing by AE&P avoid historic trails, however, portions of seven parcels partially overlap with the historic Rawlins to Baggs Road corridor as illustrated on **Figure 4**. It is important to note that substantial portions of the historic road are presently occupied by Twenty Mile Road (County Road 605N) and it is likely the historic trail has either been obliterated or its setting is already compromised. Despite the overlap of nominated parcels with the historic trail corridor, AE&P believes leasing these parcels would be compatible with conservation of the trail as well pads and infrastructure could either be located to avoid contributing segments of the trail and associated cultural sites or mitigated through a variety of means, such as limiting crossings to existing disturbance corridors or non-contributing segments, aggressive reclamation of disturbance, and location of project facilities in minimally visible areas.

Sage Grouse Conservation

As illustrated on **Figure 5**, all of the acreage nominated by AE&P is located within areas designated as greater sage-grouse habitat. A portion of the nominated acreage is located within sage-grouse core areas. Per IM WY-2012-019, guidance is provided for review of parcels nominated for lease of Federal fluid minerals in Wyoming. Field offices are directed to utilize a greater sage-grouse lease screen, detailed in the instructional memorandum. **Attachment D** provides an analysis of those nominated parcels which include areas designated as core sage-grouse habitat, and the table below provides a summary of the review.

November 2015 Nominated Lease Parcels

The proposed parcels in and out of Greater Sage-Grouse Core Areas were screened in accordance with IM-No WY-2012-019

Sage Grouse Screen for Oil & Gas Lease Parcels – Rawlins FO				
T-R-S	Question 1: Within Core Area (v. 3)? Yes/No	Question 2: 11 sq. miles of manageable Federal Unleased Land Yes/No	Question 3B: Partially or entirely within 0.6-mi. of an occupied core area sage-grouse lek? Yes or No?	Question 4: Entirely within 0.6-mi. of an occupied core area sage-grouse lek? Yes or No?
20N-88W-8	Yes	No	No	No
20N-88W-18	Yes	No	Yes	Yes
20N-89W-2	No	No	No	No
20N-89W-12	Yes	No	No	No
20N-89W-24	Yes	No	No	No
20N-89W-26	Yes	No	No	No
20N-89W-18	No	No	No	No
20N-89W-20	No	No	No	No
20N-89W-28	Yes	No	Yes	No
20N-89W-30	No	No	No	No
20N-89W-32	Yes	No	Yes	No
19N-89W-6	No	No	No	No
19N-90W-2	No	No	No	No

19N-90W-10	No	No	No	No
19N-90W-12	No	No	No	No
19N-90W-14	Yes	No	Yes	No
19N-90W-32	Yes	No	Yes	No
18N-90W-4	No	No	No	No
18N-90W-6	Yes	No	No	No
18N-90W-8	No	No	No	No
18N-90W-18	No	No	No	No
18N-91W-24	No	No	No	No
18N-91W-22	Yes	No	Yes	No
18N-91W-26	Yes	No	No	No
18N-91W-28	Yes	No	No	No
18N-91W-32	Yes	No	No	No
18N-91W-34	Yes	No	Yes	No

Based on screening of the nominated parcels as prescribed under IM WY-2012-019, only one parcel should be referred to the State Office Reservoir Management Group (RMG) for further review. All other nominated parcels should be offered for lease sale with appropriate stipulations.

Big Game

The majority of parcels nominated by AE&P are not located in sensitive big game habitat as illustrated in **Figure 6**. Approximately 5 nominated parcels include big game crucial winter/year-long range. AE&P believes these parcels should be leased, subject to timing limitations or other appropriate mitigation to minimize impacts to game species.

Wild and Scenic Rivers

No wild or scenic rivers are found within or in proximity to the nominated parcels (**Figure 7**).

Wilderness Characteristics

No designated Wilderness areas, Wilderness Study Areas (WSAs), Non-WSA lands with Wilderness characteristics, or proposed wilderness areas occur in the vicinity of the nominated tracts of land (**Figure 8**).

Right of Way Avoidance Areas

Most of the parcels nominated by AE&P do not include designated ROW avoidance areas. Seven parcels do include ROW avoidance areas in small portions of them, as illustrated on **Figure 9**. AE&P believes these parcels could be leased with NSO stipulations restricting surface disturbance within the portions of parcels designated as ROW avoidance areas.

Oil & Gas Leasing Stipulations

The Rawlins RMP was reviewed to assess oil and gas leasing stipulations that apply to the parcels AE&P has nominated for lease. Some of the nominated parcels contain portions that have been assigned a No Surface Occupancy stipulation as shown in Attachment B. AE&P believes these parcels should be leased because minerals underlying the NSO areas could be developed utilizing directional or horizontal drilling from other non-restricted parts of the parcel or from adjacent fee sections, where feasible. Similarly, portions of some nominated parcels are closed to leasing. AE&P believes the portions of these parcels that

are not closed to leasing should be offered because closed acreage can be avoided during development.

Closing

AE&P analysis of the existing conditions is intended to show the company's commitment as a steward of the environment and to assist the BLM in bringing oil and gas leases successfully to sale. Based on our review of the parcels nominated for lease sale, virtually all of them either avoid sensitive resources or could be leased with stipulations that would effectively avoid or mitigate impacts. Should you have any questions or concerns, or if this EOI is deemed deficient in any manner or form, please contact me as soon as possible.

Sincerely,

Anadarko E & P Onshore LLC.



John S. Jordan
Land Manager

ATTACHMENT A: APC PARCELING PACKAGE

NOVEMBER 2015 OIL & GAS SALE

Proposed Lease #1

T. 20 N., R. 88 W., Sec. 8: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 20 N., R. 88 W., Sec. 18: Lots 1-4, E/2W/2, E2 (ALL)
555.58 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 20 N., R. 89 W., Sec. 2: Lots 5-8, S/2 (ALL)
466.94 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 20 N., R. 89 W., Sec. 12: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

ATTACHMENT A: APC PARCELING PACKAGE NOVEMBER 2015 OIL & GAS SALE

T. 20 N., R. 89 W., Sec. 24: ALL
640.00 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 20 N., R. 89 W., Sec. 26: ALL
640.00 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

Proposed Lease #2

T. 20 N., R. 89 W., Sec. 18: Lots 1-4, E/2 (ALL)
480.87 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 20 N., R. 89 W., Sec. 20: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 20 N., R. 89 W., Sec. 28: ALL
604.00 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

ATTACHMENT A: APC PARCELING PACKAGE NOVEMBER 2015 OIL & GAS SALE

T. 20 N., R. 89 W., Sec. 30: Lots 1-4, E/2
493.75 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 20 N., R. 89 W., Sec. 32: ALL
640.00 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

Proposed Lease #3

T. 19 N., R. 89 W., Sec. 6: Lots 1, 2, 8-19, S/2SE
530.16 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 19 N., R. 90 W., Sec. 2: Lots 1-4, S/2N/2, S/2
637.27 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 19 N., R. 90 W., Sec. 10: Lots 1-10, E/2 NE, N/2SE
524.85 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

ATTACHMENT A: APC PARCELING PACKAGE

NOVEMBER 2015 OIL & GAS SALE

T. 19 N., R. 90 W., Sec. 12: Lots 1-2, N/2SW, N2, SE (ALL)
635.7 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 19 N., R. 90 W., Sec. 14: NE, SW, S/2 NW
480 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

Proposed Lease #4

T. 19 N., R. 90 W., Sec. 32: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 18 N., R. 90 W., Sec. 4: Lots 1-4, S/2N/2, S/2
638.05 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 18 N., R. 90 W., Sec. 6: Lots 1-7, SENW,E/2SW, S/2NE, SE
637.44 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

ATTACHMENT A: APC PARCELING PACKAGE NOVEMBER 2015 OIL & GAS SALE

T. 18 N., R. 90 W., Sec. 8: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 18 N., R. 90 W., Sec. 18: Lots 1-4, E/2W/2, E/2
643.04 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 18 N., R. 91 W., Sec. 24: Lots 17-32, (ALL)
605.86 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

Proposed Lease #5

T. 18 N., R. 91 W., Sec. 22: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

ATTACHMENT A: APC PARCELING PACKAGE NOVEMBER 2015 OIL & GAS SALE

T. 18 N., R. 91 W., Sec. 26: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 18 N., R. 91 W., Sec. 28: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 18 N., R. 91 W., Sec. 32: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

T. 18 N., R. 91 W., Sec. 34: ALL
640 Acres
Carbon County, Wyoming
Rawlins Field Office
Surface Owner: BLM

OWNERSHIP INFORMATION
U. S. A

ATTACHMENT B: EXISTING CONDITIONS ASSESSMENT

T-R-S	Legal Description	Net Acreage	ACECs (Figure)	Other Management Areas	Historic Trails	Sage Grouse Core Area	Big Game Crucial Habitat	Wild and Scenic Rivers	Wilderness Characteristics/ WSAs	ROW Avoidance	O&G Stips
Proposed Lease #1											
20N-88W-8	ALL	640	NP	NP	Y Rawlins to Baggs Road	Y See Attachment D	NP	NP	NP	Y Partial Section	NSO Partial Section
20N-88W-18	Lots 1-4, E/2W2, E/2 ALL	555.58	NP	NP	Y Rawlins to Baggs Road	Y See Attachment D	NP	NP	NP	Y Partial Section	NSO
20N-89W-2	Lots 5-8, S/2 ALL	466.94	NP	NP	NP	NP	NP	NP	NP	NP	NP